

March 7, 2002

Mr. Patrick W. Finnerty  
Director  
Department of Medical Assistance Services  
Suite 1300  
600 East Broad Street  
Richmond, Virginia 23219

Dear Mr. Finnerty:

I am pleased to inform you that the Centers for Medicare and Medicaid Services is approving the State of Virginia's request to renew the Medallion I Medicaid managed care program authorized under Section 1915(b)(1) of the Social Security Act (the Act). This approval provides for the waiver of the following Sections of Title XIX of the Act: Section 1902(a)(1) (Statewideness), Section 1902(a)(10)(B) (Comparability of Services), and Section 1902(a)(23) (Freedom of Choice).

As a condition of approval, the State of Virginia will revise the description of emergency services benefits contained in educational materials provided to Medallion enrollees. The description of emergency services should be expanded to explain the definition of "emergency medical condition" including the "prudent layperson" requirements contained in section 1932(b)(2) of the Medicaid law. A copy of the proposed revision(s) should be provided to CMS for approval prior to final printing and distribution.

The decision to approve this waiver is based on evidence submitted to CMS showing that the State's waiver program is consistent with the purposes of the Medicaid program and has met the applicable statutory and regulatory requirements for access to care and quality of services. The State also has submitted evidence showing that the waiver has been, and will continue to be, a cost-effective means of providing medical/surgical services to Virginia's Medicaid recipients.

Under the authority of Federal regulations at 42 CFR Section 430.25(h)(2)(ii), this approval is for the two-year period effective March 22, 2002 through March 21, 2004.

I wish you success in the continued operation of this waiver program. If you have any questions regarding this waiver renewal, please contact Mr. Anthony Hrincevich in the Philadelphia Regional Office at (215) 861-4184.

Sincerely,

/s/

Mike Fiore  
Director

Cc: A. Hrincevick, PRO